



## City of Marietta Meeting Summary

205 Lawrence Street  
Post Office Box 609  
Marietta, Georgia 30061

### BOARD OF LIGHTS AND WATER WORKS

**William B. Dunaway, Chairman**  
**James W. King, Vice Chairman**  
**Bruce E. Coyle, Resident Member**  
**Charles L. "Chuck" George, Resident Member**  
**Arthur D. Vaughn, Resident Member**  
**Harlon D. Crimm, Non-Resident Member**  
**Alice Summerour, Non-Resident Member**

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<b>Monday, November 08, 2004</b>	<b>12:00 PM</b>	<b>BLW Admin.-2nd Floor Board Room</b>
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20041258      **Regular Meeting - October 11, 2004**

Review and approval of the October 11, 2004 regular meeting minutes.

***Approved***

20041224      **Electric Department Retirements**

Recognition of Electrical Tech Services retirees Danny Lyle (30 Years), Terry Bartlett (31 Years), John Boggs (29 Years), Gary Doughton (30 Years), & Steve Higgins (31 Years).

***Recognized***

20041231      **Fiscal Year 2004 Marietta FiberNet Audit/ Moore & Cubbedge**

Presentation of the Marietta FiberNet (MFN) Audit for FY 2004 by Moore & Cubbedge.

***Presented***

20041225      **MEAG Marketing Subscription 2005**

Report on the Municipal Electric Authority of Georgia (MEAG) Marketing Subscription.

***Approved***

*Motion to approve to subscribe for 575 hours at a cost of \$83,450 as the 2005 level of service for the Municipal Electric Authority of Georgia (MEAG) Marketing Subscription.*

20041226      **Sale of Excess Reserve Capacity to MEAG Cities**

Report on sales to cities and motion to approve recommended agreement for the sale of 4,275 kilowatts of excess reserve capacity for the summer peak period to the Albany Water, Gas and Light Commission.

***Approved***

*Motion to approve a letter of agreement for sale of excess reserve capacity at \$13.00 per kilowatt to the Albany Water, Gas and Light Commission and authorize the Chairman to execute the agreement. The agreement begins on January 1, 2005 and ends on December 31, 2005.*

**20041227 Power Generation Capacity Statistics**

Update on Power Generation Capacity Statistics.

***Reported***

**20041170 BLW Finance Reports**

Review of the Finance reports for October 2004

***Reported***

**20041148 Mission Statement**

Review and approval of an updated Marietta Board of Lights and Water Mission Statement.

***Approved***

*Motion to approve the Mission Statement:*

*"The Marietta BLW Mission is to provide high quality, reliable, and competitive utility services to our customers and a fair return to the citizens of Marietta."*

**20041149 Vision 2009**

Review and adoption of the Marietta Board of Lights and Water "Vision 2009."

***Approved***

*Motion to approve the Vision 2009:*

*The City of Marietta continues to be a highly attractive urban center within the Atlanta metropolitan area. Attributes that include a viable central business district, stable neighborhoods, excellent local school systems and institutions of higher education, expanded retail services, green space and parks draw people to Marietta. Marietta's population has become more culturally diverse, with a marked increase in the size and influence of the Hispanic community. Redevelopment efforts have produced sizeable mixed use areas so that more people now live, work and play in Marietta. The local economy continues to be stronger than state and national averages, and household disposable income has also increased at above-average rates. Of particular interest to the MBLW, growth in the demand for utility services has come more from redevelopment of existing areas than from newly developed areas. While there has been some annexation of areas primarily to the West, the MBLW service area is largely "built out."*

*Marietta has continued to attract the interest of competing utility service providers, especially from Georgia Power Company and Cobb EMC. These and other competitors are well-established in the Atlanta metropolitan area, well-funded and politically connected. Although the State of Georgia has not yet mandated direct access and retail choice for electric customers, competitors in the Atlanta area are already offering an array of bundled customer services, including advanced metering and energy management, and are exerting increased pressure on MBLW's large customers to consider alternative sources of electricity. Georgia Power and Cobb EMC are competing to win customers with choice in and around Marietta. The MBLW has pursued more aggressively and has been able to retain most of its customers with choice as a result of innovative pricing and new technologies. The MBLW has also had some success in obtaining new customers of choice through direct involvement in City-supported redevelopment projects and by effectively promoting the benefits of "one-stop" electric, water and wastewater services. In addition to direct competition from traditional utility service providers, competition is also more evident in the form of energy management, distributed small-scale electric generation and fuel switching.*

*Marietta Board of Lights and Water*

*Overall, MBLW's customers are more demanding than they were, and have more rapidly changing service needs. Even customers without choice are more knowledgeable of competing services and prices. They place a high value on the quality of utility services, fast and thorough responses to problems and special requests, and on the MBLW's environmental stewardship. The majority of the City's electric, water and wastewater customers have a high level of confidence in MBLW and are satisfied with pricing and services, but there is a tight margin between competitive pricing and the ability to provide an acceptable quality of services. The MBLW has been able to manage this margin effectively by investing in current technologies, streamlining operations and managing costs more effectively. Existing customer and management information systems have been upgraded, and employees throughout the organization have been trained in customer service. The MBLW has learned how to be more flexible and responsive in meeting customer needs when connecting new customers and in providing day-to-day services.*

*The MBLW's success has been built on a solid record of performance in its core electric, water and wastewater utility businesses. Another important element of success has been MBLW's intentional but careful expansion into a few nontraditional products and services that its customers value. The MBLW has accomplished this expansion without incurring significant financial risk. Instead, the MBLW has offered new products and services to its customers through partnerships with other organizations that are more experienced in those markets and willing to cover most of the risk.*

*The MBLW has an effective presence in the Marietta community; management and employees are engaged in a wide range of community activities. Effective communication with City leaders, community business leaders, customers and other community organizations has strengthened the MBLW's presence and name recognition. The MBLW continues to make an annual transfer to the City's general fund that has remained constant in real dollars since 2004. Most citizens are proud of the MBLW and have a high awareness of what MBLW contributes to the welfare of the City. Because of this understanding, most customers would not switch to another electricity provider even if they could. The MBLW has kept local news media and other external stakeholders informed, soliciting appropriate input on important issues.*

*To ensure continued quality and reliability in the essential utility services that it provides, the MBLW has made substantial investments in the expansion and replacement of critical infrastructure. The MBLW has completed approximately 50% of its 10 year water and sewer infrastructure improvement program. The storm water infrastructure is also undergoing significant rehabilitation and expansion. The MBLW has also increased its influence over important electric supply decisions as a member of the Municipal Electric Authority of Georgia (MEAG) and has recently participated in the acquisition of new electric generating resources. The MBLW has also diversified its power supply portfolio to incorporate projects beyond those that have been developed by the Municipal Electric Authority of Georgia (MEAG). The MBLW has also been savvy about the changing wholesale electric market and has been successful in tapping into its growing potential.*

*During the past 5 years, the MBLW has successfully redefined the way it does business. The MBLW's Board and management have created a shared vision for the future and have learned how to operate in a more competitive marketplace while remaining responsive to the requirements of local government ownership. The Board and management have adopted and annually updated a strategic plan that has caused everyone in the organization to focus on the accomplishment of well-defined objectives, goals and measurable performance targets. Central to the strategic plan is a process that keeps the MBLW focused on its core businesses and responsive to community and customer needs. Rather than try to be everything for everyone, the MBLW has been clear about its business priorities and the business results that it must accomplish to be successful.*

*For its own part, the Board has successfully transitioned to a role that focuses on strategy and policy. This transition has created more effective working relationships with both the City Council and with MBLW management. The City Council is well informed about MBLW performance, business strategies and issues and has a high level of confidence in the Board's ability to make effective policy decisions. Service on the Board is prestigious and appointments are made from a wide field of candidates whose qualifications meet prescribed criteria that are appropriate for a business of the MBLW's size, complexity and influence.*

20041150      **Strategic Goals and Objectives**

Review and approval of the strategic goals and objectives for the Board.

*Approved*

*Motion to approve the Strategic Goals and Objectives, with an amendment to page 4c to add inventory systems (attached hereto as Attachment B).*

20041151      **Board Policies, Principles and Procedures**

Discussion and action regarding Board policies, principles and procedures.

*Approved*

*Motion to approve the Board Policies, Principles and Procedures (attached hereto as Attachment C).*

20041153      **Committees' Roster**

Review of current Board Committees' Roster.

*Discussed*

20041259      **Executive Session**

Motion to enter an Executive Session to discuss legal, real estate and/or personnel matters.

*Held*

20041289      **Mutual Release Agreement**

Motion to ratify approval and execution of a Mutual Release Agreement with The Dive Shop IV, Inc.

*Approved*

20041290      **Georgia Public Web Nomination**

Motion to nominate Board member Charles George to serve on the Georgia Public Web Board of Directors.

*Approved*